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INFORMATION REPORT

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SAG Inspection Team in the DDR

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SUPPLEMENT TO REPORT NO.

- 1. A 17-man imspection from Moscow began checking the books and records of the SAG Transmasch and Awtowelo groups in the DDR on about 1 February 1952. The team was scheduled to complete its inspection around 20 March 1952 Trofimov, previously reported as relieved from his post as chief of the USIG (SAG Headquarters) in Berlin-Weissensee, was a member of the team, as well as (fnu) Novokrochenov, director until 1950 of the SAG Waggonbau Ammendorf plant. Head of the inspection team was one Senin or Selin, age 50. The team was composed of legal authorities and engineers, most of the latter having previously been stationed in the DDR with the SAG Administration. Krasnov, of the Transmasch Headquarters, remarked that the appearance of such a high-powered commission was a rare and frightening occurrence. The team visited all plants of the Transmasch and Awtowelo groups, investigated all correspondence in the files, and asked detailed questions as to how each piece of correspondence had been acted on.
- 2. One of the results of this inspection visit will probably be the transfer of Maklakov, at present deputy director of SAG Transmasch, to the post of director of the Bleichert Works, in view of the poor showing of Bleichert in 1951. Bleichert had reportedly accepted too high a quota of orders for 1951 and had miscalculated its production costs. Moscow, for example, insists on paying 18,000 DM Fast apiece for the ZIS auto cranes made by Bleichert, whereas Bleichert finds that its costs for this item are 20,000 DM East or over. As of mid-March 1952, about 1,200 of these auto cranes were standing in the yeards of the Bleichert works in Leipzig awaiting the outcome of this argument.

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